

HOUSING RESOURCES COMMISSION

Quarterly Meeting

One Capitol Hill, Conference Room A

Providence, RI

M I N U T E S of July 27, 2007

Susan Baxter, Chair, called the meeting of the RI Housing Resources Commission to order at 8:37 am in Conference Room A, One Capitol Hill, Providence, RI. Present were:

Commissioners & Designees

Baxter, Susan-Chair

Aaronson, Roberta

Bodington, Susan

Caffey, Joseph

Cola, Jeanne

Fields, Barbara

Hajian, Kaveh

Hammarström, David-Secretary

Hannifan, Chris

Kravitz, Tom

Mc Donough, Robert

Novais, Ana

Rhodes, Jared-For Kevin Flynn

Ryczek, Jim

Schwartz, Rhonda

VanNoppen, Mark
Voccio, Valerie
Walsh, Peter
McAvoy, Gerald-Legal Counsel
RI Housing Staff
Carol Ventura
Paula Coleman
Staff
Shawcross, Noreen
Kue, Simon
Neirinckx, Ray
Tondra, Mike
Guests
Carla DiStephano
Barbara Sokoloff
Julian Dash
Jessica Rutledge
Randy Edgar-Providence Journal

Pursuant to Chapter 46 of Title 42 General Laws of Rhode Island, notice of this meeting was posted at the State House and at RI Housing Resources Commission offices.

1. Approval of Minutes of June 8, 2007.

Following a correction that Gerald McAvoy, Legal Counsel, had not

been present, Peter Walsh moved approval of the minutes; Barbara Fields seconded.

Motion passed.

2. Approval of Building Homes Rhode Island Resolution

Susan Baxter provided a summary of the background regarding the process for recommendations that will be made today regarding allocation of bond funds. She noted that there was an orientation followed by a full day session. She acknowledged the staff of Rhode Island Housing for their outstanding work and presentation of the proposals. She also thanked members of the review committee. Barbara Fields, Chair of the review committee also expressed her appreciation.

Attorney McAvoy gave an opinion regarding whether board members of funded agencies not voting. He noted that there was a quorum even if members had to recuse themselves from voting.

The recommendations today will be for 75% of the funds. The remaining rental funding will be distributed through an RFP later in the year.

Carol Ventura of Rhode Island Housing described each of the projects recommended for funding (list attached). There were 73 units for \$2.5 million and 182 for \$7.4 million.

Rhonda Swartz asked for a description of the ranking process as it appeared that higher ranked proposals were not funded. Carol explained that readiness to proceed was used to make final determinations. Ray Neirinckx noted that we had expended our funds very quickly. Susan Bodington said that we could not predict if projects could move forward unless they had gone through the local zoning process.

Carol Ventura then answered questions about those that were not funded. Joe Caffey inquired whether a letter would provide a reason that the proposal was not funded. Ray Neirinckx responded that while letters are generally generic, we always offer to meet with the unsuccessful applications to provide this information and future direction.

There was further discussion regarding demand for the funds.

Joe Caffey asked about the suggestion at the previous meeting regarding stepping up disbursement of funds to respond to this demand. Noreen had submitted a request for consideration of this, but it was not approved by the Budget Office as their interpretation of the enabling legislation is that the funds are \$12.5 million annually for four years.

Barbara explained the homeownership rental allocation of 80%/20%

was also due to legislative intent. Susan Baxter explained that \$2.5 was held back as there were so many good rental proposals. She emphasized that many good projects were unable to be funded.

Barbara Fields moved the resolution for the allocation of \$10,037,107 under the Building Homes Rhode Island Program with \$7,481,473 for rental and \$2,555,634 for homeownership. David Hammarström seconded. There was a question regarding whether we were voting on individual projects. The vote will be for the entire package. There was also a question of whether Commissioners should recuse themselves if they have funds in the project. Motion passed. Joe Caffey, Kathy Bazinet Tom Kravitz and Jeanne Cola abstained.

3. Discussion of HRC role in State Housing Appeals Board Process

Noreen reviewed the Statewide Housing Appeals Board (SHAB) case that is the reason for this agenda item. A SHAB decision was appealed by the Town of Coventry and was overturned by the Supreme Court. When the case went to mediation, a consent order was entered that allowed the subdivision with a reduced number of homes and only one affordable unit. There is a concern that this will set a precedent. There is a similar case in Cumberland at present. RI Housing has no legal standing in these cases. There is a need for a party with standing to represent low/mod housing interests. Mike Melito, RI Housing Counsel, thought that the HRC might have standing. Joe Caffey suggested that we invite Mike Melito to explain

this situation. We will put this on the agenda for the October 19 meeting. Gerry McAvoy will research this issue and will have an opinion by September 20, 2007.

Peter Walsh asked if we should include legislative language as the problem is that there are no repercussions for cities and towns but that this would be an added burden for the Commission. Jeanne Cola said that cities and towns should honor their plans. Joe Caffey has dealt with Coventry and believes that someone should intervene. Gerry did clarify that a mediation decision cannot circumvent the law and does not set precedent.

4. Neighborhood Opportunities Program Distribution

Noreen explained that there is a question on whether NOP funds, which were available for rental only in 2007, will again be able to be used for the Building Better Communities (BBC) program in FY 2008. Susan Bodington made a motion that 20% of the funds be used for BBC. Barbara Fields seconded.

Noreen had contacted Michael O'Keefe in the House Budget Office who said that doing rental only was the result of much discussion and was done to address the most pressing needs. He did not believe that this had changed, but was willing to seek clarification from Chairman Cosentino. Noreen noted that the Chairman has been very supported of NOP and she would not want to jeopardize the

program. Jeanne Cola and Joe Caffey supported this concern. David Hammarström said that he did not have enough information to vote on this. Susan Baxter asked that the motion be tabled.

Peter Walsh moved to issue an RFP for rental housing. Kathy Bazinet seconded. Peter amended the motion to allocate 80% of the whole. Kathy seconded. An RFP for rental will be issued at this time. Should funds for homeownership become available, another RFP can be issued. Motion passes. Kaveh Hajian abstained.

Peter Walsh inquired about a press release being issued. Jeanne suggested an announcement from the Governor. It was noted that Randy Edgar from the Providence Journal was covering today's meeting. Housing Works has prepared a press release. There will ground breakings also.

5. Public Comment Period

The next meeting is scheduled for Friday October 19, 2007 at 8:30 am, Conference Room A, 2nd Floor, One Capitol Hill, Providence. Meeting adjourned at 9:57 a.m.